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FISCAL IMPACT REPORT

SPONSOR Nava **ORIGINAL DATE** 1/24/06
LAST UPDATED 2/10/06 **HB** _____

SHORT TITLE NMSU Creative Media Institute Programs **SB** 44

ANALYST Lewis

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$500.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 433 (UNM Art, Research, Tech and Science Laboratory)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico State University (NMSU)
New Mexico Higher Education Department (NMHED)
Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

Senate Bill 44 appropriates \$500,000 from the general fund to the Board of Regents of New Mexico State University to create new degree programs through the Creative Media Institute.

FISCAL IMPLICATIONS

Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

SIGNIFICANT ISSUES

According to NMSU, to date the university has received \$2.7M in capital funds to renovate facilities and purchase equipment for the Creative Media Institute for Film and Digital Arts (CMI). The purpose of this appropriation is to support CMI's operations and to allow it to meet academic program goals on a continuing basis.

CMI received its initial funding in 2004 in the form of a \$2 million award from the state to allow NMSU to create new programs in film and digital media, animation, visualization and related technologies. At that time, Governor Richardson called the funding a “down payment” toward purchasing equipment, upgrading facilities and developing training programs to make the state more attractive to the film industry.

CMI is the umbrella organization for two-year and four-year degree programs that prepare students for careers in the film and digital media industries. CMI students participate in “hands-on” professional internship experiences at media production facilities on the NMSU campuses and through external internships in close proximity to NMSU (e.g. at the White Sands Missile Range). NMSU faculty and industry experts engage CMI students by teaching courses and participating in other classroom and academic learning opportunities. Partnerships with the American Film Institute in California, Santa Fe Community College and NMSU two-year campuses also support CMI students, curriculum enrichment, and the state’s transfer and articulation goals.

This appropriation is a legislative priority of NMSU, but is not included in the LFC’s budget recommendations.

PERFORMANCE IMPLICATIONS

According to NMSU, the appropriation will support operation of CMI in 2006-2007. In addition to two-year creative media technology associate degree programs, the CMI four-year degree program in digital filmmaking and animation will be fully implemented with recruitment and admissions processes in place and with participating faculty and industry professionals fully realized in fall 2006.

In collaboration with NMSU’s College of Engineering, CMI curriculum planning will continue and extend CMI academic offerings to include visualization and simulation and game development incorporating “serious games” suitable for military and medical venues. CMI students will acquire skills that apply across multiple disciplines and industries, including entertainment, medicine, science, forensics, information, education, government and the business fields.

ALTERNATIVES

In 2003, the Legislature established the higher education program development enhancement fund to address critical state issues, including work force and professional training, instructional program enhancements and development of mission-specific instructional programs. This fund may offer an alternative source of funding for the Creative Media Institute.

Higher education institutions also receive indirect cost revenues from federal contracts and grants. Further, this money is unrestricted in the sense that the governing board of the institution has the flexibility to choose which projects are supported with these funds. One of the purposes of retaining these funds is to provide seed money and matching funds for projects such as this one.

TECHNICAL ISSUES

Infrastructure and technical support for the Creative Media Institute are provided by NMSU’s Information and Communication Technologies operation.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

According to NMSU, alternative funding sources are not available at this time. Without funding of this request CMI will be unable to support New Mexico's growing media arts and sciences industry; and the trained film and media specialists needed to support economic expansion in film and media production will not be available in sufficient numbers or with adequate expertise.

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